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FOREX TRADING "GURU" INDICTED FOR FRAUD AND MONEY LAUNDERING

SACRAMENTO – United States Attorney McGregor W. Scott announced that JOEL NATHAN WARD, 48, of Turlock, California, was indicted today by a federal grand jury in Sacramento on five counts of wire fraud, two counts of mail fraud, and two counts of engaging in a monetary transactions in property derived from specified unlawful activity, a form of money laundering. He was arrested Tuesday in Oakdale, California, by FBI and IRS-Criminal Investigation special agents, with the assistance of Oakdale Police Department officers.

This case is the product of an extensive, joint investigation by the Federal Bureau of Investigation and Internal Revenue Service-Criminal Investigation.

The Commodity Futures Trading Commission, the federal agency that regulates commodity futures and options markets in the United States, has noted the sharp rise and increasing complexity of foreign currency exchange ("forex") trading scams. WARD, a frequent commentator and seminar speaker on forex trading, is alleged to have been running an elaborate forex trading scam through two of his companies, the Joel Nathan Forex Investment Group of Turlock and Learn: Forex, Inc., a forex trading educational center based in Sacramento.

According to Assistant United States Attorneys Benjamin B. Wagner and Ellen V. Endrizzi, who are prosecuting the case, the indictment alleges that as part of the scheme, WARD offered investors the opportunity to invest in the foreign exchange market through his fund, the Joel Nathan ForexFund. Many

of WARD's victims were family members, close friends, and individuals who had been enrolled in the Learn: Forex program, either in Sacramento or through online classes. WARD required a minimum \$50,000 investment, and told investors they could anticipate significant returns. The indictment alleges that WARD provided investors with monthly statements that purported to reflect their true profits and account balances. In reality, however, WARD stole the investors' funds and, in order to conceal the theft, made "Ponzi" payments using other investors' funds and provided his investors with altered account statements. WARD's investment fraud scheme collapsed in November 2006. A complaint previously filed in the case states that WARD confessed the fraud to an employee and wrote at least four emails to his victims, admitting the theft and asking for their forgiveness. In WARD's handwritten journal, recovered during the execution of a search warrant, he describes himself as a "financial serial killer" and "just another scumbag con artist bilking old people out of their retirement money." The money laundering charges in the indictment allege that he used proceeds of the scheme to make payments towards his purchase of the Learn: Forex school in Sacramento

The indictment also charges WARD with defrauding investors in a second scheme relating to a purported real estate investment project in Mississippi. WARD is alleged to have simply diverted investors' funds to his own use.

"WARD used his self-proclaimed expertise in currency trading to steal millions of dollars from family, friends, employees, and other investors. Now the shine is off the penny. White collar crimes are predatory in nature, destroying the lives of victims." said United States Attorney Scott.

If convicted, the maximum penalty under federal law for each offense of wire fraud is 20 years' imprisonment, a three-year term of supervised release, and a \$250,000 fine. The maximum penalty for the money laundering charge is ten years' imprisonment, a three-year term of supervised release, and a \$250,000 fine. However, the actual sentence will be determined at the discretion of the court after

consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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